

STRATEGIES FOR PREVENTING CORRUPTION ON LOCAL LEVEL



БИТОЛА | ЃОРЧЕ ПЕТРОВ | ОХРИД

strategies

**FOR PREVENTING CORRUPTION
ON LOCAL LEVEL**

Strategies for preventing corruption in the municipalities of Gjorce Petrov, Bitola and Ohrid – Curing and preventing corruption on Local level

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Curing and Preventing Corruption on Local Level

**Strategy for Curing and Preventing
Corruption in the Municipality of
Gjorce Petrov**

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I. BACKGROUND

Introduction

Abuse of office, responsible person's office in a legal entity or person performing matters of public interest for obtaining personal benefits or for the benefit of other people shall be deemed corruption and shall imply criminal, civil or other responsibilities (Anti-Corruption Law, "Official Gazette of the Republic of Macedonia" no.28/02).

Assessment of corruption's scope indicates that corruption is a real problem in the Republic of Macedonia. The last research conducted by Transparency Internacional places Macedonia on the 72nd place on the list of 180 countries in the world ranked according to corruption degree, with 3.6 points.

One of the prerequisites in the series of obligations that Macedonia needs to fulfill for the purpose of acquiring a full-flagged membership in the European Union is the one concerning the control over corruption. For that purpose the Foundation Open Society Institute – Macedonia, in cooperation with ZELS (Association of Local Self-Government Units) and FPDL from Romania, has decided to support the program on developing strategy for curing and preventing corruption on local level in the Municipality of Gjorce Petrov.

For the purpose of being consistent in the application of the principles of openness and transparency in its work, as one of the preconditions for developing local democracy, the Municipality of Gjorce Petrov by means of developing the "Strategy for Curing and Preventing Corruption on Local Level" is determined in undertaking specific activities for establishing mechanisms for corruption repression and prevention. With that, it will place itself on the list of few municipalities in the Republic of Macedonia that are the pioneers paving the road towards building transparent and accountable local self-government by applying the principles of good governance.

The "Strategy for Curing and Preventing Corruption on Local Level" of the Municipality of Gjorce Petrov is a document that would provide the direction for municipality's work in the process of preventing and curing corruption on local level in the forthcoming period.

In compliance with the fields that have been identified as most liable for corruptive practices within the operation of the municipal administration in Gjorce Petrov, the present strategy proposes creative approaches and specific actions to be undertaken for the purpose of implementing particular strategic directions.

The strategy is comprised of two parts: the first one provides the introduction, methodology and diagnosis, while the second provides the vision, strategic directions and the action plans.

Methodology

In January 2008, the Foundation Open Society Institute – Macedonia, in cooperation with ZELS and FPD from Romania has initiated the implementation of the program on curing and preventing corruption in the Municipality of Gjorce Petrov. The program aims at designing and implementing participatory anti-corruption strategies on local level, as a method of identifying, preventing and dealing with corruption.

The strategic approach to curing and preventing corruption is based on the main premise that systems spreading corruption can be identified by the following formula:

$$C(\text{CORRUPTION}) = M(\text{MONOPOLY}) + D(\text{DISCRETIONARY RIGHTS}) - A(\text{ACCOUNTABILITY})$$

This strategic approach is implemented in five stages, based on the concepts of intervention and planned change.

First stage – Coming to Terms with Corruption is initiated by a trigger. At this stage the leaders – Mayor and heads of sectors/departments in the local government expressed the need for developing a strategy on preventing corruption.

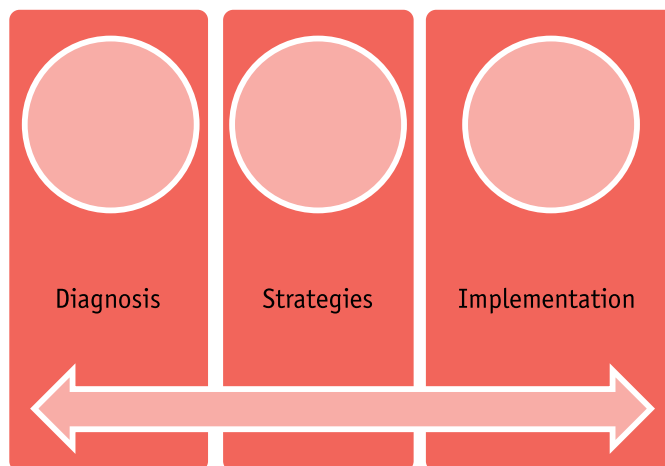
Second stage – Building a Guiding Coalition meant that the local government developed the awareness on the need for undertaking actions in the fight against corruption, and established a group, the so called guiding coalition for analyzing and eliminating possible points where there is corruption or where corruption can occur.

Third stage – Diagnosis and Planning was the stage of detailed analysis of internal procedures in the selected fields of operation for the purpose of identifying

existing or possible problems with corruption. The planning implied making decisions on the course of action, stakeholders and mobilizing required resources.

Fourth stage – Implementing the change means testing/redesigning, experimentation and implementation of planned actions.

This theoretical approach applied in the specific case of the Municipality of Gjorce Petrov was initiated with the organization of the *inception workshop* with the municipal administration employees. The application of the participatory approach the workshop resulted in the development of basic concepts and strategies for fighting corruption. Basic activities of local authorities were analyzed for the purpose of locating problems and fields of operation that might be liable to corruptive practices.



On the workshop, the heads of several sectors and departments in the Municipality of Gjorce Petrov listed the following statement as a joint vision that would lead the work on developing the anti-corruption strategy: A MUNICIPALITY WITH VISION DOES NOT KNOW CORRUPTION!!!

II. DIAGNOSIS

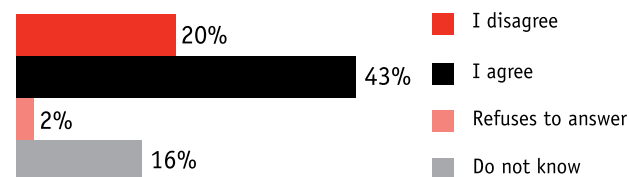
In the *diagnosis* stage, the participatory approach was applied for identifying specific corruption problems in certain fields of municipal operation. The diagnosis stage included the *survey* implemented by FOSIM and

the team of trainers on a sample of *citizens* from the Municipality of Gjorce Petrov and the *municipal administration employees* in the course of June 2008.

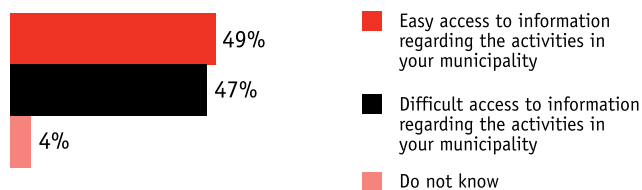
Findings from the citizens' survey

On the issue of information provision for citizens in Gjorce Petrov, according to the survey data 73% of them answered that they are informed about municipality's activities via the media (TV, radio, printed media, internet, etc.). At the same time, on the issue of *access to information about municipality's activities* there were divided opinions which are shown the following diagram.

The municipal administration is making subjective/bias decisions on certain issues (issuing of permits, approval of applications and like)



In general do you have an easy or a difficult access to information regarding municipality's activities?



In general, citizens have listed that they do not face major problems in relation to obtaining certain information from the municipality.

On the issue of the municipal administration's operation, 46% of interviewees believe that the municipal administration is cooperative and that its operation is professional. Nevertheless, data on the objectivity of the municipal administration's decision making process is quite interesting.

The diagram shows that a significant percentage of citizens – 43% believe that the administration of the Municipality of Gjorce Petrov makes subjective/bias decisions on particular issues. This opinion was supported with the answers provided on the question who wins construction work or public procurement tenders. 46% of citizens believe that tenders in the municipality are won by companies close to the Mayor.

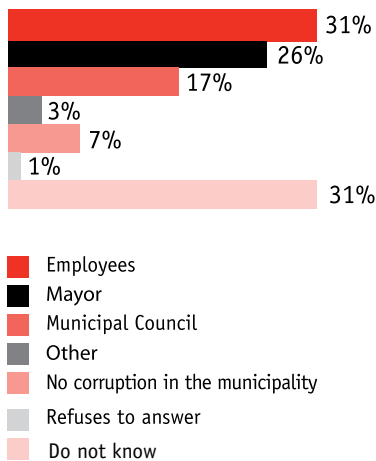
On the other hand, 42% of citizens believe that employees do not ask bribes as a precondition for providing municipal services. Another interesting indicator is the one according to which 93% of citizens in Gjorce Petrov claim that they have never been asked financial means or service for the purpose of speeding the completion of a procedure in the municipality (for example, issuing a permit, tender participation, etc.). This is shown on the following diagram.

Have you been asked financial means or service for speeding the completion of a procedure in the municipality (for example, issuing a permit, tender participation, etc.)?



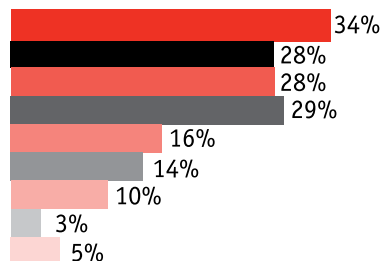
At the same time, majority of citizens believes that the municipality has a mechanism for preventing corruption. Citizens listed the following as reasons for the possible existence of corruption: small salaries and great power and authorization of individuals in the municipality. Also, 23% of citizens believe that corruption is caused by pressures coming from political parties. On the question where do they locate the corruption in Gjorce Petrov, citizens provided the following answers:

Please list the source of corruption in your municipality



According to citizens, in order to prevent the corruption in the municipality, municipal employees need to be fined, the names of corrupted ones should be disclosed, citizens need to be involved in the municipal work and decision-making/planning to a greater extent and a local strategy on preventing corruption should be introduced. Their answers are shown on the following diagram.

In your opinion, what should be done in order to prevent corruption of municipal bodies?

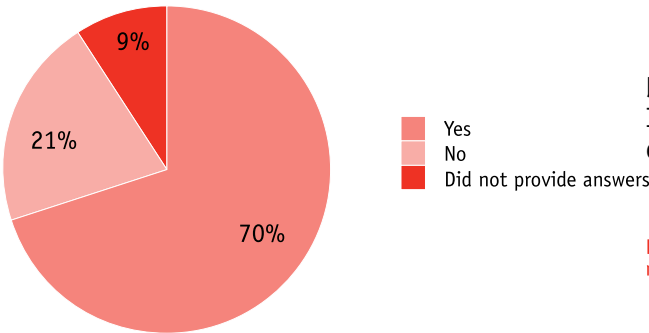


- Employees should be sanctioned with fines
- Employees should be sanctioned and their names should be announced
- All information should be announced in the public
- Citizens to be involved in the municipality's operation to a larger extent
- To introduce local strategy on preventing corruption
- Rules and procures should be clearer and simplified
- To strengthen and use the civil initiatives for resolution of matters
- More intensive control and inspections
- To increase employees' salaries

Findings from the survey of employees in the Municipality of Gjorce Petrov

The survey of employees in the Municipality of Gjorce Petrov was carried out for the purpose of scanning administration's perception against citizens' perception. From the survey it can be concluded that on the issue of access to information in the field of public procurements and constriction permits, the employees have a perception that differs from the one held by citizens. Namely, more than 60% of citizens believe that the public is informed about activities in these fields – mostly via printed and broadcasting media. At the same time, 70% of employees confirmed that there is a system for obtaining feedback from citizens and clients in relation to decisions made by the municipal administration. These data are shown on the following diagram.

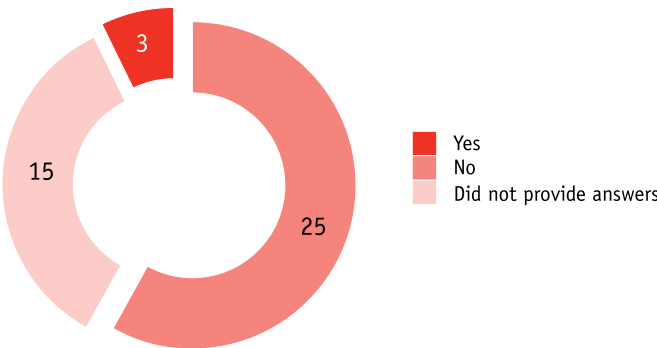
Is there a feedback system for citizens and clients in regard to decisions made by the municipality?



Majority of employees (79%) believe that the work in the municipality is well organized and transparent.

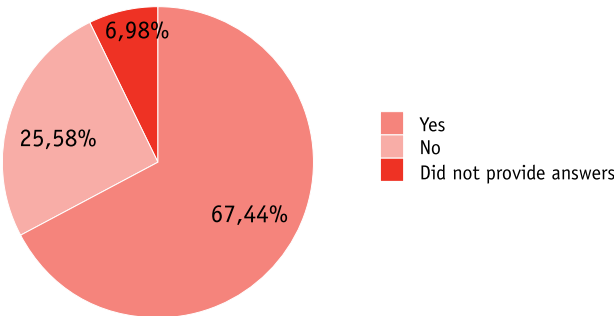
From the aspect of corruption occurrence, employees believe that there is no corruption in the municipality. In the field of public procurement this is shown on the diagrams with employees' answers.

Do you believe there is corruption in your municipality's public procurement procedure?

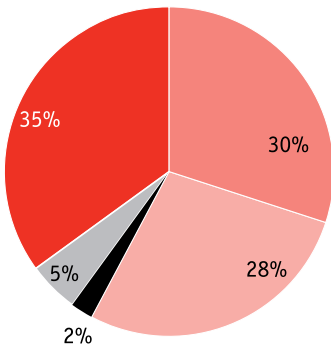


Employees believe that the public is well informed concerning matters in the fields of construction permits and public procurement. On the other hand, same as citizens, the employees also believe that the municipality has precise and transparently defined procedures.

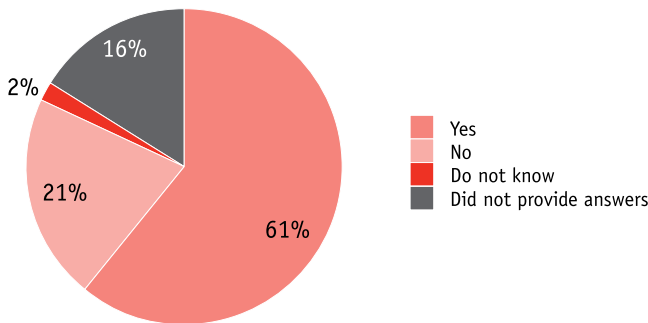
Is the public informed about the construction permits issued in your municipality?



Do you believe that the current legal solutions provide possibilities for corruption occurrence in the course of issuing construction permits

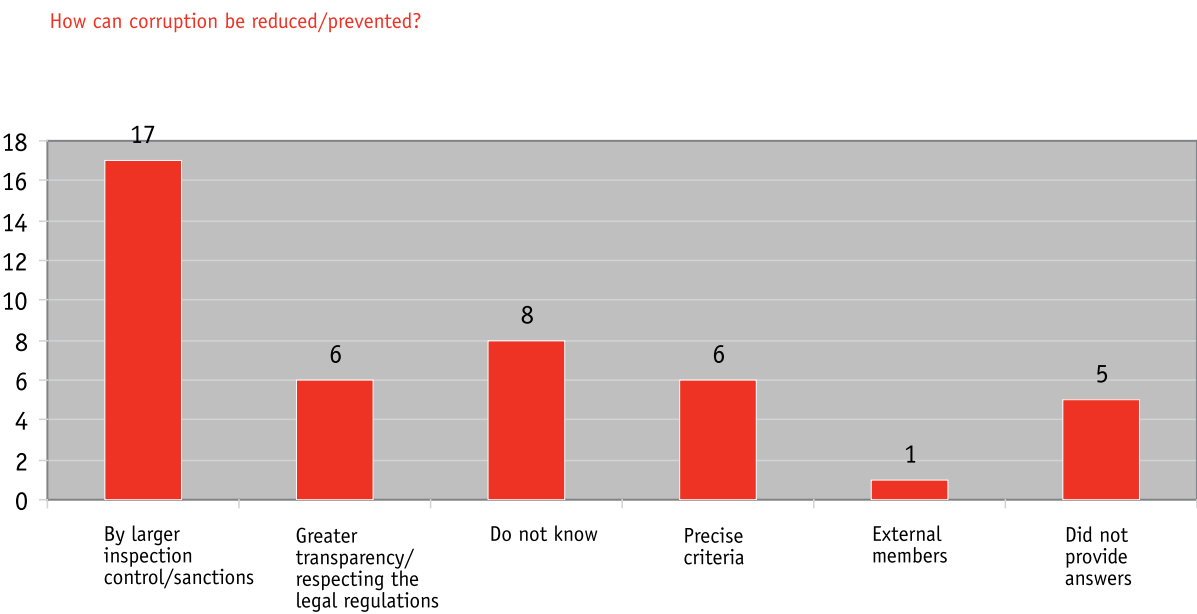


Is the public informed about the public procurements made?



Majority of employees in the municipal administration believe that the reason for corruptive practices (in general) is the vague legislation and the possibility for gaining material benefits. As solutions for prevent-

ing corruptive practices, employees have listed many actions provided on the following diagram, where the most often mentioned one is greater inspection control and higher fines for corrupted individuals.



Summarized Findings and Action Directions

Data obtained from both surveys were used for better location of problems in the fields that were identified as being most liable to corruption – urban planning and public procurement. Members of the guiding coalition and local experts engaged by FOSIM identified the following as possible areas that require improvement and intervention:

- » procedures for issuing construction permits;
- » municipal information accessibility for citizens;
- » participation on construction works and public procurement tenders;
- » developing urban plans; and
- » transparency of internal operations.

Two working teams comprised of guiding coalition members were established for the purpose of analyzing the situation and proposing specific solutions. They enabled provision of all types of information for developing the joint vision on curing and preventing corruption on local level in compliance with the main strategic directions, and will also support the Strategy development and adoption.

III. GENERAL VISION/ STRATEGIC GOALS

1. The general vision in the field of public procurements is obtaining quality services by means of selecting the most favorable bids and providing appropriate information for citizens and employees.
2. The general vision in the field of issuing construction permits is achieving developed trust of informed and satisfied citizens by means of efficient, complete and transparent procedure for issuing construction permits.

IV. IDENTIFYING POINTS VULNERABLE TO CORRUPTION

Internal procedure for public procurements		
	Steps in the procedure	Vulnerable points/ possibilities for corruption occurrence
1.	The Mayor adopts the public procurements plan for the current year;	/
2.	On the basis of needs and in compliance with the public procurements plan – municipal sectors/departments submit public procurement orders that need to be signed by the head of finance sector (in order to confirm that funds have been anticipated according to the program and the account item for the procurement in question) and by the head of sector on general and legal matters and matters of the mayor (in order to confirm that the same is in compliance with the plan and that there is legal basis for the realization of the public procurement). At the end, on the basis of statements provided by heads of sectors, the Mayor signs the public procurement order. In principle tender documents are submitted in attachment to the order.	<ul style="list-style-type: none"> • The head of public procurement department does not forward orders if the procurement in question has not been anticipated in the annual plan • Poorly developed tender documents
3.	The public procurement order contains: type of public procurement, amount, and funds anticipated in the Municipal Budget according to the program and account item, while in cases of funds approved from Ministries and other central government bodies, the public procurement order should be accompanied with a decision published in the “Official Gazette of the Republic of Macedonia”. The order should be signed by the officer that submits it – head of sector or department.	/
4.	The public procurement officer prepares a decision on the public procurement need, which is then adopted by the Mayor.	<ul style="list-style-type: none"> • Adjustment of criteria to accommodate interests of certain economic operators • Composition of the Public Procurement Commission
5.	On the basis of the decision, the public procurement officer in cooperation with expert associates, and in compliance with the Law on Public Procurements completes the tender documents.	<ul style="list-style-type: none"> • Adjustment of tender documents to accommodate the interests of certain economic operators
6.	Depending on the public procurement value and in compliance with the Law on Public Procurements, an announcement is published.	/

7.	Economic operators can obtain tender documents from the Municipality's archive on working days.	/
8.	Bids are submitted at the municipality's archive.	<ul style="list-style-type: none"> • Possibility for opening and intervening in bids when the submission deadline does not correspond with the date and hour of bid opening
9.	The Public Procurement Commission (established depending on the type of public procurements – different for every public procurements) opens the bids and in compliance with the Law prepares the relevant acts (minutes, criteria tables, evidence lists, rank lists, etc.). On the basis of the evaluation performed, the Commission prepares a report and suggests the most favorable bidder to the Mayor.	<ul style="list-style-type: none"> • Conflict of interests of certain members of the Public Procurement Commission • Pressures over certain Commission members
10.	On the basis of the report, <i>the public procurement officer</i> prepares the decision on selection of the most favorable bid, which is later adopted by the Mayor.	/
11.	On the basis of the decision on the selection of the most favorable bidder, the public procurement officer prepares a notification signed by the chair of the Commission, which together with a copy of the decision on the selection of the most favorable bidder is submitted to all economic operators participating on the tender.	/
12.	In cases of appeals lodged within the legally stipulated deadline, a decision is made in compliance with the Law on Public Procurements.	/
13.	If – within the legally stipulated period - no appeal has been lodged, the selected economic operator signs the Contract in compliance with the Law on Public Procurements.	/
14.	The Contract is signed by the Mayor and the person representing the economic operator.	/

Internal procedure for issuing construction permits	
Steps in the procedure	Vulnerable points/ possibilities for corruption occurrence
<p>1. Clients submit applications to the sector on urban planning, communal matters and environmental protection via the municipality's archive for the purpose of obtaining an excerpt from the detailed urban plan – DUP. The municipality has developed a pre-stipulated form to be filled-in by clients. The application is submitted together with: evidence of tenure, copies from the cadastre plan with coordinates. Clients must pay the administrative fee for submitting applications.</p>	/
<p>2. The urban plan excerpt is issued within a period of 5 (five) days, and is prepared by an architectural technicians from the urban planning department. On the left side, the urban plan excerpt is signed by the officers that have prepared it, the head of urban planning department and the head of sector on urban planning, communal matters and environmental protection, while the Mayor signs it on the right side.</p>	<ul style="list-style-type: none"> • Issuing urban plan excerpts on the basis of incomplete applications • Unjustified priorities for issuing urban plan excerpts • The municipal officer preparing the excerpts works under pressure
<p>3. Later, the client submits an application (on a pre-stipulated form) for obtaining a decision on location requirements, to which he has to attach the urban plan excerpt, geodesy elaborate prepared by an authorized geodesy company and design project (in two copies).</p>	<ul style="list-style-type: none"> • The head of department accepts design projects that do not correspond with the urban plan excerpt • The head of urban planning department issues the decision on location requirements based on incomplete application and documents • The head of urban planning department makes unjustifiable priorities in the process of issuing decisions on location requirements • The head of urban planning department/sector is the same person who develops the design project and issues the decision on location requirements

<p>4. If there are no obstacles, the decision is prepared in a period of 7 (seven) days. The decision on location requirements is valid for 1 (one) year from the day it enters into force by the administrative procedure. Within this period, the investor is obliged to obtain a construction permit. The issued decision on location requirements is submitted to the certified urban inspector in the municipality within a period of 3 (days) for detailed reconsideration and preparation of minutes. If the urban inspector identifies irregularities, he/she returns the decision for correction.</p>	<ul style="list-style-type: none"> • The head of urban planning department purposefully delays the deadline for issuing the decision on location requirements • The urban inspector prepares unrealistic minutes (purposefully neglects particular irregularities) • The urban inspector delays the deadline for issuing the minutes even when there are no irregularities. • The head of urban planning department does not respect the deadline for issuing the decision on location requirements
<p>5. On the left side, the decision is signed by: the head of urban planning department, certified urban inspector and the head of sector on urban planning, communal matters and environmental protection, while the Mayor signs it on the right side.</p>	<ul style="list-style-type: none"> • Disclosing the names of municipal officers working on issuing decisions on location requirements • Signing decisions under pressure (disputable decisions)
<p>6. The immediate neighbors of the construction site are informed in written concerning the content of the adopted decision on location requirements. The prepared and adopted decision, together with the registered project and the receipt on the paid administrative fees can be obtained from the municipality.</p>	<ul style="list-style-type: none"> • The head of urban planning department does not inform the immediate neighbors of the content of the decision on location requirements. • The head of urban planning department delays the deadline for issuing the prepared, signed decisions on location requirements.

<p>7. In order to obtain construction permits, clients have to submit the decision on location requirements and the stamped (previously approved by the municipality) design project, together with the complete basic project indicating all construction stages (developed by an architectural design company) in at least two copies.</p>	<ul style="list-style-type: none"> • The head of urban planning department accepts basic projects that do not indicate the relevant stages (incomplete basic projects). • The head of urban planning department accepts cases whose basic project has not been revised • The head of urban planning department accepts projects from non-licensed companies.
<p>8. Based on the documents reviewed by the head of urban planning department and the field insight performed by a certified geodesist, the municipality is <i>ex officio</i> issuing the act on regulatory, construction and height coordinates signed by the certified geodesist, the head of department and the head of sector on the left side, and the Mayor on the right side. The municipality <i>ex officio</i> stamps the basic project and together with a cover letter submits it to the City of Skopje, competent for calculating the municipal construction charge.</p>	<ul style="list-style-type: none"> • The certified geodesist is pressurized by municipal officers. • The geodesist develops protocols that deviate from DUP. • Employees of the urban planning department purposefully make mistakes in the calculation of municipal construction charges (for constructions in rural areas of the municipality)
<p>9. If the municipal construction charge has not been paid, the municipality cannot issue the construction permit. On basis of submitted payment receipt, the municipality issues the construction permit within a period of 5 (five) working days. The permit is signed by the head of urban planning department, certified urban inspector and head of sector on urban planning, communal matters and environmental protection on the right side and by the Mayor on the left side.</p>	<ul style="list-style-type: none"> • The head of urban planning department prepares a construction permit without receipt on paid municipal charges. • The head of urban planning department delays the date for issuing the construction permit.
<p>10. The issued construction permit enters into force on the 15th day from the day of its issuance based on the submitted application and paid municipal construction charge.</p>	<ul style="list-style-type: none"> • The head of urban planning department stamps the permit as enforceable, although it has been appealed.

V. ACTION PLAN

The present action plan is the final step in the efforts made by the Municipality of Gjorce Petrov for anticipating specific measures that would disable or reduce the possibilities for the occurrence of corruption in the fields of public procurements and issuing construction permits. The action plan includes vulnerable points and anticipated measures/activities with specific timeframes for the establishment of an integrated local system on corruption prevention and repression in both fields. The outcomes of the action plan's implementation will depend on the political will and the preparedness of the heads of departments/sectors and other officers in the municipal administration. In the course of 2009, the guiding coalition will monitor the implementation of the action plan for fighting corruption in the Municipality of Gjorce Petrov together with the team from the Foundation Open Society Institute -Macedonia.

A. PUBLIC PROCUREMENTS

Potential points for improvement	Activity	Person responsible for implementing the activity	Measurable indicator	Timeframe
1. Poor quality of tender documents	Appropriate development of tender documents by covering all elements of the public procurement procedure.	Head of relevant department/sector	Tender documents are signed by the officer responsible for their preparation, as well as the head of department/sector.	June -December 2009
2. Criteria accommodating interests of particular economic operators	Supervision	Head of relevant department/sector	Two signatures	June -December 2009
3. Implementing public procurements that have not been anticipated with the annual public procurement plan	Control and strict adherence to the annual plan	Head of public procurement sector/department	Internal audit	June -December 2009
4. Implementing public procurements that have not been anticipated with the annual public procurement plan	Amending the public procurement plan	Head of relevant sector/department	Internal audit	June -December 2009

Potential points for improvement	Activity	Person responsible for implementing the activity	Measurable indicator	Timeframe
5. Bias selection of Commission members	Appointing Commission members with expertise and experience in the specific procurement field	Mayor	Report prepared by the internal auditor	June -December 2009
6. Danger from opening bids prior to the deadline for opening bids	The deadline for submitting bids has to correspond with the date and time for opening bids	Head of public procurement sector/department	Announcement ad; report prepared by the head of public procurement sector/department	June -December 2009
7. Conflict of interests of the Public Procurement Commission members	Public Procurement Commission members sign statements	Head of public procurement sector/department	Signed statements from the Public Procurement Commission members	June -December 2009
8. Pressurizing Public Procurement Commission members	Submitting written information to the Mayor on the pressure suffered	Public Procurement Commission members	Number of submitted information	June -December 2009
9. Absence of written procedures on document flow when implementing public procurement procedures	Developing written internal procedures on document flow when implementing public procurement procedures.	Heads of municipal administration sectors	Prepared document flow procedures for implementing public procurement procedures	September-December 2009
10. Insufficient information for citizens	Designing new website of the Municipality with a feature for uploading public procurement information;	Head of sector on municipality's development and matters of the Mayor	Number of website visits and periodical surveys	June -December 2009

B. ISSUING CONSTRUCTION PERMITS

Potential points for improvement	Activity	Person responsible for implementing the activity	Measurable indicator	Timeframe
1. Issuing urban plan excerpts based on incomplete applications	Control of issued urban plan excerpts	Head of urban planning sector	Urban plan excerpt signed by head of sector	June -December 2009
2. Unjustifiable priorities for issuing urban plan excerpts	Control over dates of application submission and urban plan excerpt issuing	Urban inspector	Report prepared by the urban inspector	June -December 2009
3. Municipal officers working on urban plan excerpts' preparation work under pressure	Submitting written information to the head of department and the Mayor concerning the pressure suffered	Officer preparing the excerpt	Number of submitted written information	June -December 2009
4. Head of department accepts design projects that do not correspond with the urban plan excerpt	Control performed by the urban inspector	Urban inspector	Minutes and regular reports submitted to the Mayor and on the request from state inspectorate	June -December 2009
5. Head of urban planning department issues decisions on location requirements based on incomplete applications and documents	Control performed by the urban inspector	Urban inspector	Minutes and number of submitted procedure violation applications	June -December 2009

Potential points for improvement	Activity	Person responsible for implementing the activity	Measurable indicator	Timeframe
6. Head of urban planning department makes unjustifiable priorities when issuing decisions on location requirements	Control performed by the head of urban planning sector	Urban inspector and Mayor	Reports indicating dates of application submission and issuance of decisions on location requirements prepared by the urban inspector	June -December 2009 2009
7. Head of urban planning sector/ department is the same person to develop design project and issue the decision on location requirements	Signing a statement in compliance with the Law on Conflict of Interest	Head of department and head of sector	Number of signed statements	June -December 2009
8. Head of urban planning department does not adhere to the deadline for issuing decisions on location requirements	Control performed by the urban inspector	Urban inspector	Report indicating the dates of application submission and issuing decisions on location requirements prepared by the urban inspector	June -December 2009
9. Urban inspector prepares unreal minutes (purposeful negligence of irregularities)	Control of completed cases	Head of inspection department	Report on controlled cases prepared by the head of inspection department	June -December 2009

Potential points for improvement	Activity	Person responsible for implementing the activity	Measurable indicator	Timeframe
10. The urban inspector delays the deadline for issuing the minutes even when there are no irregularities.	Quarterly control of on-going cases	Head of inspection department	Report prepared by the head of inspection department concerning the controlled cases	June -December 2009
11. Head of urban planning department purposefully delays the deadline for issuing the decision on location requirements	Control performed by the head of sector and the urban inspector	Urban inspector and Mayor	Minutes and report concerning controls performed	June -December 2009
12. Disclosure of names of responsible officers working on issuing decisions on location requirements	The copy with all signatures should remain in the case folder, while the clients should obtain a document with a single signature	Mayor	Documents issued without all signatures	June -December 2009
13. Signing decisions under pressure (disputable decisions)	Submitting written information to the head of department and Mayor concerning the pressure suffered	Officer responsible for preparing decisions	Number of submitted information	June -December 2009

Potential points for improvement	Activity	Person responsible for implementing the activity	Measurable indicator	Timeframe
14. Head of urban planning department does not inform immediate neighbors on the content of the decision on location requirements	On-going analysis performed by the urban inspector	Urban inspector	Quarterly report prepared by the urban inspector	June -December 2009
15. Head of urban planning department delays the deadline for issuing prepared, signed decisions on location requirements	Control performed by the head of urban planning sector	Urban inspector and Mayor	Report containing dates of submission of application and issuance of decisions on location requirements prepared by the urban inspector	June -December 2009
16. Head of urban planning department accepts basic projects that do not contain all stages (incomplete basic project)	Control performed by the urban inspector	Urban inspector	Minutes and quarterly reports prepared by the urban inspector	June -December 2009
17. Head of urban planning department accepts cases without revised basic projects	Control performed by the urban inspector	Urban inspector	Minutes and quarterly reports prepared by the urban inspector	June -December 2009

Potential points for improvement	Activity	Person responsible for implementing the activity	Measurable indicator	Timeframe
18. Head of urban planning department accepts design projects and basic projects from non-licensed design agencies	Control performed by the urban inspector	Urban inspector	Minutes and quarterly reports prepared by the urban inspector	June -December 2009
19. Responsible officers pressurize the certified geodesist	Submission of written information to the head of department and mayor indicating the pressure suffered	Geodesist	Number of submitted information	June -December 2009
20. The geodesist develops protocols that deviate from the DUP	Control performed by the head of urban planning department/sector	Head of urban planning department/sector	Reports on identified irregularities prepared by the head of sector	June -December 2009
21. Officers from the urban planning department make purposeful mistakes in the calculation of municipal construction charges (constructions in the rural areas of the municipality)	Control performed by the heads of the urban planning department and the urban planning sector	Heads of the urban planning department and the urban planning sector	Reports on identified irregularities prepared by the head of sector	June -December 2009

Potential points for improvement	Activity	Person responsible for implementing the activity	Measurable indicator	Timeframe
22. Head of urban planning department prepares construction permits when the municipal construction charge has not been paid	Control performed by the head of urban planning sector and head of finances	Head of urban planning sector and head of finances	Report on identified irregularities prepared by the head of urban planning sector and head of finances	June -December 2009
23. Head of urban planning department delays the deadline for issuing the construction permit	Head of urban planning sector	Urban inspector and Mayor	Reports indicating the dates of application submission and issuance of construction permits	June -December 2009
24. Head of urban planning department stamps an appealed decisions as enforceable	The legal matters officer working in the urban planning sector submits written information to the head of department	Urban inspector	Report on appealed subjects prepared by the legal matters officer in the urban planning sector	June -December 2009

The implementation of the present Action Plan developed for both fields– public procurements and issuing construction permits will be carried out in 2009. Shorter evaluation timeframe has been anticipated for certain activities due to their character. Vulnerable points for the occurrence of corruption have been identified and they correspond with what has been anticipated by the applicable legal regulations at the moment. The need for a possible revision of the Strategy will be additionally identified, if certain legal provisions are changed, or at the end of the evaluation period (December 2009), when the achievement of improvement will be measured for every proposed action.

Curing and Preventing Corruption on Local Level

**Strategy for preventing corruption
occurrence – Municipality of Bitola**

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Introduction

Corruption on local level, as one of the processes accompanying the decentralization process, due to the transfer of competences and power to local self-governments becomes one of the priorities seeking greater attention. Having in mind all of these, the Foundation Open Society Institute – Macedonia (FOSIM), in cooperation with the Association of Local Self-Government Units (ZELS) and the Foundation for Local Development (FPDL) from Bucharest, Romania, initiated a project in this field by introducing the concept of participatory anticorruption strategy development. The project aims at designing and implementing participatory anticorruption strategies on local level as a method for identifying and undertaking measures for preventing and fighting corruption. The fight against corruption in the local self-government units is a continuous process of establishing and re-examining internal procedures for the purpose of identifying potential weaknesses, i.e., job positions and individuals exposed to pressures and possibilities for corrupted performance.

According to the program developed by World Bank experts, emphasis is put on identifying possibilities for employees and jobs' exposure to corruption. The program does not address detection and sanctioning of corrupted activities, but rather undertaking measures for preventing the possibilities for corruption occurrence. The possibilities for corrupted performance were identified as jobs exposed to corruptive influence, for example: job positions including decision-making power concerning large financial means and other interests, individual decision-making and like, which have been described in detail in the Annex to the Strategy of the Municipality of Bitola. The Strategy of the Municipality of Bitola addresses the municipal administration efforts for continuous upgrade and advancement of the internal audit system and establishing internal rules and procedures that would enable the operation of mutual control (check and balance) and decision-making system's long-term stability and predictability, all for the purpose of enabling better and more efficient service delivery for citizens.

Methodology

For the purpose of adhering to the principles of openness and transparency in its operation as basic precondition for building the local democracy, by means of developing the “Strategy for Preventing and Curing Corruption on Local Level”, the Municipality of Bitola decided to undertake specific activities for establishing mechanisms for preventing corruption. This puts it on the list of few municipalities in the Republic of Macedonia that pave the path towards transparent and accountable local government, by applying the principles of good governance.

The methodology is based on the philosophy according to which corruption is not a crime of passion, but crime of cost-benefit analysis. There is no such thing as corrupted people, but corrupted systems. Everybody can become corrupted within a corrupted system. Individuals can be replaced, but unless we improve the system, every next employee will be exposed to corruptive pressures. Each individual is undergoing a mental analysis of benefits from corrupted activities and the possibility of getting caught, i.e., consequences and sanctions for such actions.

The Municipality of Bitola used the opportunity to benefit from the technical assistance provided by FOSIM's Program, which was announced and supported by ZELS. Details on program participation and conditions were agreed between the expert team engaged and financed by FOSIM and the Municipality of Bitola, hence resulting in signing of a contract for cooperation which stipulated all details of the cooperation. According to the contract, the Municipality of Bitola established a team tasked with the program implementation, while the external experts coordinated its work.

On the initial interview with the Mayor, program motives and concept were specified, while the signing of the contract for cooperation provided details on the role and obligations of contractual parties. This was followed by a presentation for heads of sectors in the municipal administration on the methodology and comparative practices from other cities and countries, establishing the “guiding coalition” – comprised of people responsible for developing the strategy and carrying out appropriate analyses. The first stage of analysis concerned the identification of fields of operation that need improvement and included a survey on a sample of

municipal administration employees for the purpose of recording their perceptions related to the possibilities for corruption occurrence in the Municipality, as well as a public survey carried out with municipal citizens and analysis of existing documents and procedures.

Based on these analyses, two pilot fields were selected for in-depth analysis. The analysis indicated the need for **developing detailed written procedures concerning the implementation of public procurements and developing urban plans and issuing construction permits.**

The basic purpose of analyses and the project is training for the municipal administration on the procedures for analyzing and detecting “vulnerable” points in the municipal procedures, i.e., points that might be exposed to corruptive influences and pressures. The analysis is performed in compliance with the formula:

$$\text{CORRUPTION} = \text{MONOPOLY} + \text{DISCRETIONARY RIGHTS} - \text{ACCOUNTABILITY}$$

Monopoly is when a single person is authorized to decide on particular activity; the situation when the same person makes independent decisions for which there are no written rules and procedures creates the existence of discretionary rights; while if this person is not responsible in front of another body – there is no accountability. All these create an environment liable to corruptive activities, and alarm the Municipality on the need for introducing changes in the organizational setting or procedures. The purpose of such analyses is to prevent possibilities for corruption occurrence, i.e., to protect the employees from unprincipled influences on their performance.

Another principle for analyzing “vulnerable points” is the *benefit analysis* of particular activities and the *amount of funds included*. If a particular procedure or activity in the municipality involves major monetary funds, it represents a potential motive for corruptive activities. Furthermore, when such points are identified within the municipal administration, analysis is performed on the possible beneficiaries of privileges resulting from corruptive activities, both as internal or external interested parties. *Internal beneficiaries* might

include employees with power to influence decisions or implementation of activities contrary to the stipulated procedures or the procedures' implementation time-frame. *External beneficiaries* are interested parties holding a motive and interest in municipal activities.

The present Strategy will describe the procedures and tolls for further analysis and identification of such possibilities. Municipality of Bitola is committed to regular revision and continuous analysis of possibilities for corruption occurrence, all for the purpose of their timely elimination.

Finding – Detecting Fields Exposed to the Danger of Corruption Occurrence

In continuation, the procedure on analyzing and re-examining the possibilities for corruption occurrence in a local self-government unit is described. There is no structure immune to the occurrence of corruptive activities, thus the Municipality of Bitola is undertaking efforts to continuously re-examine its organizational setting for the purpose of improving the system and increasing its efficiency.

The *diagnosis* stage provides for participatory approach, participation of all employees in the process of identifying: 1. fields that are most exposed to possibilities for corruption occurrence; 2. fields that are liable to possible increase of efficiency and procedure clarification, and 3. identifying specific problems in procedures and detecting possibilities for improved communication and increased efficiency.

The diagnosis stage was implemented by conversations with the municipal managerial staff and external moderators which presented theoretical and practical models applied in other countries for successful identification of and dealing with corruptive activities. By means of brainstorming, heads of sectors identified the fields for possible improvements, as well as the activities for increasing the efficiency of operation in the Municipality and the need and measures for improved communication with citizens. The "guiding coalition" members were selected during the workshop from the lines of municipal employees and tasked with the implementation of analysis and preparation of recommendations and the Strategy for Preventing Corruption Occurrence in the Municipality of Bitola.

The second step of the diagnosis stage examined the perceptions and opinions of other municipal employees and citizens in the Municipality of Bitola, as well as

service beneficiaries. For that purpose, in the course of June 2008, a *survey* was carried out with a sample of *citizens* from the Municipality of Bitola, as well as the *survey of municipal administration employees*. *Excerpts from the survey results are provided in attachment to this document.*

Based on the survey results, the analysis of existing procedures and reflections of the guiding coalitions in cooperation with the external consultants the following priority fields for action and recommendations were identified:

Recommendations

Based on the abovementioned analyses and surveys carried out for the purpose of obtaining interested parties' perceptions and opinions, including the municipal managerial staff, employees and citizens – as municipal services' end users, the municipal team responsible for undertaking analyses, assisted by external experts, emphasized the following two fields as subject of the initial and in-depth analysis of operation of municipal operation and its organizational setting. The pilot project analyzed the fields of public procurements and activities concerning urban planning and construction works (having in mind the fact that these fields meet one of the criteria as being characterized with high risk for corruption occurrence, which is "involvement of enormous monetary funds", thus making them attractive for exercising influences and interventions.

Public procurements

Public procurements were defined as procedures and measures for purchasing goods, services and other means necessary for implementing plans and programs as defined in the municipal activities. The goal is by means of transparent and public announcement of tenders to obtain the best price, but also the quality and terms of delivery from relevant companies – suppliers of goods and services.

Relevant written procedures have been developed in the field of procurement procedures and they concern the following:

1. **Timely announcement of calls for bids** for the purpose of awarding the public procurement (tenders). The public purchase plan is developed in compliance with the procedure on developing the next year operational program and adopting the municipal budget. The purchase plan anticipates sufficient time for complete implementation of planned procedures for each public purchase and sets deadlines for announcing calls for bids. *The call for bids is announced in compliance with the legal provisions.*
2. **Developing quality tender documents** by covering all elements of the public procurement, and avoiding adjustment of criteria for the benefit of particular economic operators. For that purpose the person responsible - in cooperation with experts and in compliance with the Law on Public Procurements - develops the complete tender documents.
3. **Stipulating deadlines for submitting bids.** The deadline for submitting bids is set to end on the day and moment stipulated for public opening of bids. This is done for the purpose of eliminating possibilities for altering bids submitted, as well as the possible doubts for manipulating obtained bids.
4. **Description and specification of goods or services** to be purchased. Description and specification of goods to be purchased must be as precise and clear as possible so as all bidders to be able to understand them. In cases of specific goods or services, the municipality shall use consulting services from specialized people or institutions, and shall take into account the possible conflict of interest of the person responsible for developing the specification and the potential bidders.
5. **Procurement terms and delivery deadline** are precisely set in the tender documents. They are defined in the copy of the public procurement contract, which is part of the tender documents. Amendments and changes to the public procurement contract shall be avoided as much as possible.
6. Establishing the **methodology on bid assessment.** Prior to the initiation of the public procurement procure, the Municipality determines the criteria for assessing the bids, and defines the criteria for their evaluation, as well as the degree of importance of each of the criteria, by assigning specific number of points.
7. As for the **composition of the Public Procurement Commission**, the following is recommended:
 - a. Members should not be the same and should be rotated;
 - b. Larger number of members should be selected by random from the line of employees and care should be taken for their rotation;
 - c. The Commission must be comprised of at least one or two members knowledgeable in the field of implementing public procurement procedures, and - when possible - a person knowledgeable in the specific field in which the procurement is made.
 - d. In cases when specific expertise is needed, external experts shall be used, as well as forensic services for determining the quality and fulfillment of technical requirements concerning the goods bided or evaluation of obtained bids.
 - e. Commission members' conflict of interest should be avoided. Commission members sign statements declaring that they do not have conflict of interest or requesting exemption from the participation in the Commission.

8. Evaluation of obtained bids

- a. Existence of a table with bid assessment criteria and ranking, where technical and other features of goods to be purchased are taken into account, and not only the price.
- b. Requirements concerning the ability of the bidding company – it should be experienced and hold sufficient expertise for successful performance of requirements set in the specification. When needed, the Commission shall also make filed visits and assess the equipment owned by the bidders.
- c. When needed, the Commission shall check the goods' certificate of quality – in order to avoid the possibility for submitting false certificates of quality.

9. Equal terms for all bidders.

- a. Tender documents shall include a copy from the contract to be signed with the winning bidder, in light of providing equal conditions and transparency.
- b. Tender documents shall be accompanied with the bid's assessment table, which contains the criteria and points allocated per criterion.
- c. Precisely set quality of goods (or manufacturing) and delivery deadlines and penalties.

10. The Municipality shall undertake measures for eliminating the possibilities for pressures and interventions on Public Procurement Commission members.

11. Possibility for awarding Public Procurement Commission members

Additional possibility that has not been stipulated anywhere, nor it has been forbidden, is for the Municipality to award Commission members for their performance in a specific time period (one year or like, depending on their scope of work), in the cases when there are no appeals concerning the implemented public procurement procedures, i.e., there are appeals, but have been rejected on the ground of unfounded by the State Commission for Appealing Public Procurements.

Construction and Urban Planning Matters

The spatial planning and landscaping process is very complex one and requires knowledge of several laws and by-laws, as well as cooperation with a large number of institutions, which - to a greater or lesser extent - are part of the procedures. The spatial planning and landscaping process is stipulated by the Law on Spatial and Urban Planning, as well as the Law on Construction, Law on Construction Sites, Law on Expropriation, Law on Environmental Protection, Law on Agricultural Land and the by-laws stemming thereof and providing detailed stipulation of competences and obligations of local self-governments in the field of urban planning and construction works. The Law on Local Self-Government stipulates the Municipality's competence in the field of urban planning and construction works: urban and rural planning, issuing construction permits for buildings of local importance as stipulated by law, spatial landscaping and construction site infrastructure.

In order to improve the quality of services for citizens in the field of urban planning and construction works, several interventions are needed as follows:

1. **Issuing construction permits.** The frequent amendments to the laws and rulebooks cause problems, primarily with citizens, as they believe various standards are applied for individual cases. Thus the need for continuous training of employees on the implementation of amendments to the laws and rulebooks, as well as permanent information for citizens concerning the amendments via the media, but also in written form at the Citizens Information Centers.
2. **Non-harmonization of laws often leads to confusion and inconsistency, as well as a possibility for different interpretation, i.e., possibility for individual interpretation of legal provisions.** Such possibility can be the source for the occurrence (or creates the possibility for attempts of corruptive influences and pressures) of corruptive performance. In order to annul such possibilities, and having in mind the fact that the Municipality is unable to change the laws, but must implement them, the Municipality of Bitola shall develop guidelines and interpretation

manuals, i.e., precise instructions and procedures that would provide clear indications as to where inconsistencies appear, and shall address them by provision of precise guidelines on proceedings for all issues arising within the urban plan realization and concerning the plan-provided parameters which stipulate the construction possibilities and limitation factors.

3. Municipality of Bitola disposes with a software, which includes recommended procedures for performing the procedure on issuing construction permits. However, due to the increased scope of work and the change of provisions contained in by-laws, the system is overloaded. Thus the need for upgrading the software, as the documents issued by the Municipality must be developed on the software with the application of the existing legislation, and the same must be compatible for future upgrades in cases of future changes made to primary and secondary legislative acts.
4. **Better operation of the participatory body on urban and spatial planning.** For the purpose of providing publicity and expertise in the urban planning process, the Municipality of Bitola established a participatory body on urban and spatial planning whose competences have been stipulated by the Law on Spatial and Urban Planning. This body has a special role to play in defining the operational program of the Municipal Council from the aspect of urban planning, i.e., initiatives for adopting the GUP, DUP, rural urban plans and urban plans for uninhabited places.
5. **Illegal buildings.** Municipality of Bitola is not the only one facing this problem. The adoption of a Law regulating the status of illegal buildings is expected on central level. The construction inspectorate reacts on complaints lodged by citizens, but ex officio as well for the purpose of timely prevention of illegal construction. Very often, the construction inspectorate issues decisions on cessation of construction works and demolishing illegally constructed buildings, but citizens continue with the construction, while in meantime they initiate the procedure for obtaining construction permits. In order to overcome these problems, greater cooperation and coordination between the urban planning department and the municipal inspectorate is needed. Also, public awareness raising is needed among the population, as

well as proceedings on behalf of the construction inspector (for example, decision on cessation of construction works, decision on demolishing illegally constructed buildings, etc.).

General Remarks and Recommendations

Despite Municipality's strategic commitment for undertaking long-term activities, short-term activities shall also be undertaken in the light of improving communication, exchange of information and improvement and harmonization of information systems in the following areas:

1. upgrading the software for issuing construction permits;
2. improved communication with citizens and information provision
 - a. for the purpose of improving the perception on Municipality's operation;
 - b. for securing feedback mechanisms for citizens - clients of municipal services;
3. continuous training of employees on new laws and amendments to the existing legislation;
4. internal information systems in the Municipality
 - a. improving the information system for employees on recent municipal activities (bulletin board to inform the employees, e-mail information concerning municipality's current activities, municipal gazette, e-gazette);
 - b. exchange of information between sectors, determining type and quality of information of mutual interest for different municipal sectors and establishing a system for mutual exchange and coordination;
 - c. connecting sectors that are compatible and hold information of mutual interest, such as the urban planning and construction permit sector with the local tax administration sector. Every time a construction permit is

issued it should be forwarded to the local tax administration department for the purpose of calculating the property tax;

5. raising initiatives in front of central bodies for adopting rulebooks and guidelines for proceedings in the cases of inconsistent legal provisions in the field of urban planning and construction works.

Team Responsible for Strategy Implementation

Having in mind the fact that the Strategy is a long-term document that should be implemented over a period of time, competence for its realization was given to the people who participated in its development. Also, there is need for occasional or better yet regular revision of the situation in the Municipality and occasion revision of existing procedures and regulations.

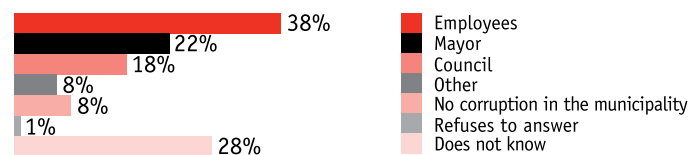
- Emilija Geroska
- Kire Micevski
- Slobodan Boncanoski
- Vesna Jurak
- Ljupco Stojcev
- Sonja Milenkova
- Metodija Kostov
- Slavica Dimitrova

ANNEX – Findings from the Citizens' Survey

For the purpose of analyzing and exploring the perceptions of the broader public, as well as the citizens and the employees in the Municipality of Bitola, surveys on selected sample of citizens¹ and sample of employees in the Municipality were carried out. Some of the results illustrating citizens' perception on the possibility for corruption occurrence and existence in the Municipality of Bitola are given further in the text. Such opinions were the main reason for undertaking the abovementioned Strategy and activities in the Municipality.

On the question "the corruption source in the municipality is located...", citizens' answers provided on the following table indicate that majority of citizens locate the responsibility with the municipal administration. Having in mind that only few citizens

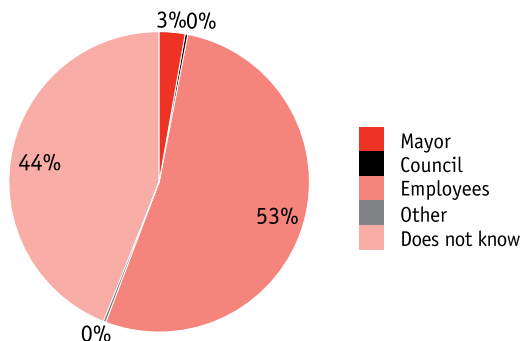
declared having regular contacts with the municipal administration, the validity of such positions is relative, but indicative for the somewhat negative perception.



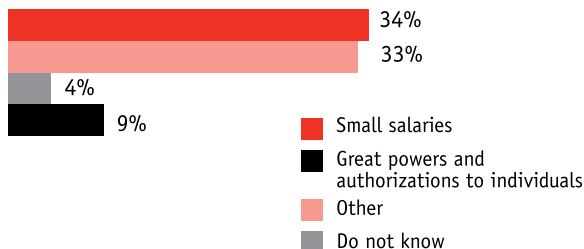
¹ The survey was performed by the agency Strategic Marketing, by means of telephone surveying on a selected sample of 300 citizens in the Municipality of Bitola and was carried out in the period April-May 2008.

The survey carried out with a sample of employees in the municipal administration indicates that a significant number of employees believe that there are possibilities for corruption occurrence in the Municipality, which leads to the need for revision and precise stipulation of certain internal procedures, as well as prevention measures.

Corruption source in the municipality according to the employees' survey

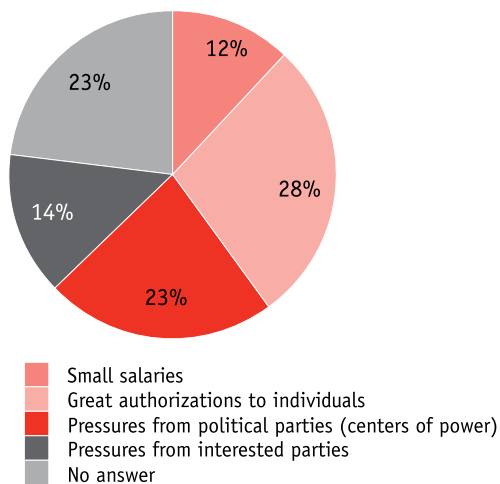


According to citizens, the reasons behind the possibility for corruption occurrence are the small salaries and great powers delegated to individuals.

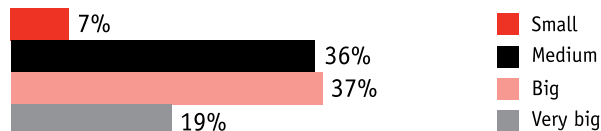


Employees locate the reasons for corruption occurrence in the great powers given to individuals and various pressures from external power centers and political parties.

Reasons for corruption in the municipality according to the employees' survey

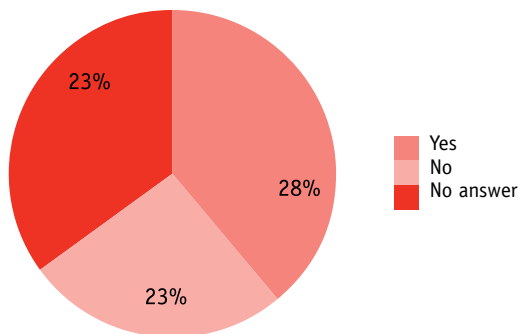


Citizens in the Municipality of Bitola believe that one of the main problems is the issuance of construction permits:



Similar answers were obtained from the municipal administration employees:

Изјава на вработените:
Коруптивни работи при издавање на градежни дозволи



Citizens' perception is that tenders on public construction works are won by companies close to the Mayor:

Following are the answers obtained on the question: "Tenders for public construction works in the municipality are usually won by companies close to the Mayor ":



Similar distribution of answers was obtained on the question concerning procurement of goods and services.

ANNEX – Tools for Identifying Vulnerable Points in the Public Procurement Procedures

Internal public procurement procedure		
	Steps in the procedure	Vulnerable points/possibilities for corruption occurrence
1.	Mayor adopts the Public Procurement Plan for the current year;	/
2.	Based on the needs and in compliance with the Public Procurement Plan, sectors/departments submit their public procurement requests, which should be endorsed by the head of the financial sector (to confirm funds planned in compliance with the program and budget item). The Mayor endorses the public procurement request as well; as a principle tender documents are submitted in attachment to the public procurement request;	<ul style="list-style-type: none"> – Head of the public procurement department does not forward the request when the procurement is not anticipated in the annual plan – Poor quality of developed tender documents
3.	The request contains: type of public procurement, value, funds anticipated in the municipal budget according to the program and budget item, while in cases of funds approved by ministries and other institutions, the request is accompanied with the decision published in the Official Gazette of the Republic of Macedonia, and is endorsed by the requesting party – head of sector or department;	/
4.	Person responsible for public procurements develops a decision, which is adopted by the Mayor;	<ul style="list-style-type: none"> – Adjusting criteria to reflect the interests of certain economic operators – Composition of the Public Procurement Commission
5.	Based on the decision, the person responsible for public procurements, in cooperation with the experts, and in compliance with the Law on Public Procurements, completes the tender documents;	<ul style="list-style-type: none"> – Adjusting the tender documents to reflect the interests of certain economic operators
6.	Depending on the value of the public procurement, and in compliance with the Law on Public Procurement, a call for bids is announced;	/
7.	Economic operators can obtain tender documents from the municipal archive every working day;	/

8.	Bids are submitted at the archive;	<ul style="list-style-type: none"> – Possibility for opening and intervening in the bids, when the deadline for submission does not correspond with the date and time for opening the bids;
9.	Public Procurement Commission (which is established pursuant to the type of public procurement and is different for each public procurement) proceeds with the opening of bids and in compliance with the law fills-in the relevant acts (minutes, criteria tables, record list, ranking lists, and like), while based on the evaluation performed it prepares a report and proposes the most favorable bidder to the Mayor;	<ul style="list-style-type: none"> – Conflict of interests with certain Public Procurement Commission members; – Pressure on Commission members;
10.	Based on the report, <i>the person responsible for public procurements</i> develops a decision on the selection of the most favorable bid, which is adopted by the Mayor;	/
11.	Based on the selection decision, the person responsible for public procurements develops a notification on the selection of the most favorable bidder, which is signed by the Commission president, and together with a copy of the decision on the selection of the best bidder is submitted to all economic operators that have submitted their bids;	/
12.	In cases of appeals submitted within the legally stipulated deadlines, the same are resolved in compliance with the Law on Public Procurements;	/
13.	If no appeals have been submitted within the legally stipulated deadline, the contract is signed with the selected economic operator and in compliance with the Law on Public Procurements;	/
14.	The contract is signed by the Mayor and the person representing the economic operator.	/

ANNEX – Tools for Identifying Vulnerable Points in the Procedure on Issuing Construction Permits

Internal procedure on issuing construction permits	
Steps in the procedure	Vulnerable points/possibilities for corruption occurrence
<p>Procedure on obtaining urban plan excerpt (legal deadline for issuing the document is 5 days from the receipt of the application)</p> <p><i>1. Receipt of application</i></p> <p>The client submits the application to the Centre for Issuing Construction Permits (CICP) in order to obtain the first document – excerpt from the detailed urban plan – DUP. CICP prints the application form, while the applicant signs it and submits the following:</p> <ul style="list-style-type: none"> – application; – receipt on paid administrative fees; and – attachment - copy of the cadastre plan. <p>CICP enters it in the system of submitted applications.</p>	/
<p><i>2. Assignment and work on individual cases</i></p> <p>The system generates a message – notification on the acceptance of the application and forwards it to the head of department.</p> <p>The head of department assigns the case to an officer/associate.</p> <p>The officer/associate studies the submitted documents and develops the urban plan excerpt (textual portion: parameters from the urban plan and the graphic portion with markings).</p> <p>The officer endorses the printed documents, marks them in the system and takes the document to the authorized person.</p> <p>The authorized person checks and endorses the already prepared documents and makes a notice in the system.</p> <p>The authorized person takes the endorsed document to the CICP where it is entered in the system of signed documents.</p>	/
<p><i>3. Issuing the document</i></p> <p>CICP prints the document, informs the applicant via telephone, the applicant signs the delivery receipt and obtains the document from the CICP.</p>	/

<p>Procedure on obtaining decision on location requirements (legal deadline for issuing the document is 5 days from the receipt of application)</p> <p><i>4. Receipt of application</i></p> <p>CICP takes applicants' information and enters them in the system along with the type of building for which the decision is requested. CICP prints the application form for obtaining decision on location requirements, the applicant signs it and submits the following documents:</p> <ul style="list-style-type: none"> – application; – receipt on paid administration fees; – urban plan excerpt; – design idea/basic project (4 copies); – evidence on acquired right to construction; and – elaborate/study on numerical data. <p>CICP records the receipt of application and scans the attachments.</p>	/
<p><i>5. Assignment and work on individual cases</i></p> <p>The system generates a message – notification for the receipt of the application and forwards it to the head of department.</p> <p>The head of department assigns the case to an officer/associate.</p> <p>The civil servant studies the submitted documents.</p> <p>The civil servant develops a request on eliminating shortcomings, while the system notifies the CICP. CICP sends 1 copy of the document to the applicant.</p> <p>If the application is complete, the associate records in the system that the application is complete.</p>	<ul style="list-style-type: none"> • The civil servant in the department accepts design ideas which do not correspond with the urban plan excerpt • The civil servant in the department on realization of urban plans gives unjustified priority to the issuance of decisions on location requirements
<p><i>6. Procedure on application's rejection</i></p> <p>Developing the decision on application's rejection</p> <p>The system generates a message – notification and forwards it to the CICP and the associate concerning the non-submission of additionally requested documents. The associate develops the decision on application's rejection, endorses it and submits it to the authorized person.</p> <p>The authorized person checks the case and endorses the decision, and then he makes an entry in the system.</p> <p>CICP prints and scans the printed decision and forwards a copy to the municipal urban inspector, while it informs the applicant via telephone for arranging the decision on application's rejection to be received by the applicant.</p>	/

7. Field visit

The associate, via telephone, contacts the applicant and arranges a field visit which is then entered in the system. The associate prints the minutes form (2 copies) for field visits. Upon the field visit, the associate fills in and signs both copies of the minutes and forwards them to the CICP.

The associate develops the decision on location requirement and prints the document in 5 copies, endorses them, develops a list of stakeholders (immediate neighbors, contractor, and urban inspection) and prints it. The associate endorses the 4 copies of the design idea/basic project and takes all these documents to the authorized person.

The associate receives all other copies of the technical documentation from the CICP, while the authorized person endorses the 4 copies of the design idea/basic project and enters them in the system. The authorized person checks the case and endorses the documents, and it enters them in the system. Following documents are submitted to the CICP:

- endorsed decision on location requirements (5 copies);
- registered design idea/urban project (4 copies), and
- list of interested parties.

8. Issuing the document

CICP prints the decision and scans it. It submits one copy to the municipal urban inspector and to the interested parties in compliance with the list, and then it enters the dates of their receipt.

CICP, via telephone, informs the applicant that the document is prepared and issues the following documents to the applicant:

- decision on location requirements (3 copies);
- registered design idea/urban project (3 copies), and
- one copy of the field visit minutes.

CICP notes in the system that the decision is issued.

The urban inspector prepares unrealistic minutes (purposeful neglect of certain irregularities)

<p>Procedure on obtaining construction permit (legal deadline for issuing the construction permit is 7 calendar days from the day when the complete documents are collected)</p> <p><i>9. Receipt of application</i></p> <p>CICP writes down the applicant's information, information on the type of building for which the permit is requested (entire, or portion, or specific construction type), prints the application form for construction permit.</p> <p>The applicant signs the application and submits the following:</p> <ul style="list-style-type: none"> – application; – receipt for paid administrative taxes; – decision on location requirements; – registered design idea; – basic project (4 copies) – revision of the basic project; – written report and consent for recognition; – approved environmental impact assessment study, and – approved seismic protection study. <p>CICP enters in the system the receipt of data and scans the attachments.</p>	/
<p><i>10. Assignment and work on individual cases</i></p> <p>The system generates a message – notification and forwards it to the head of department, who assign the case to an associate. The associate picks up two copies of the technical documents from the CICP.</p> <p>The associate studies the submitted documents.</p> <p>The associate develops the application on eliminating shortcomings, while CICP prints it in 2 copies, one of which is forwarded to the applicant.</p> <p>CICP receives and scans the additionally requested documents. The associate studies and notifies in the system the application's completeness.</p>	
<p><i>11. Field visit</i></p> <p>The associate, via telephone, contacts the applicant and arranges a site visit, prints the minutes form (2 copies). The associate performs the site visit, fills in and signs the minutes. Signed minutes are submitted to CICP, where they are entered in the system.</p>	

12. Consent/opinion

The associate develops the form for obtaining consent or opinion in compliance with the requirements provided in the relevant decision on location requirements, while CICIP sends one copy to all relevant institutions. CICIP receives and scans the consents/opinions separately. The associate studies the additional documents and develops an application on detailing the consent/opinion. CICIP prints the prepared document and sends one copy to all relevant institutions. CICIP receives and scans the additionally requested documents from the relevant institution. The associate studies the additional documents and records in the system that the application documents have been completely gathered.

13. Calculation of construction fees

The associate records in the system the need for calculating the municipal construction fee and the charge for the spatial and urban plan development. The system generates the message for CICIP, while CICIP submits the case as information to the competent officer for calculations at the communal matters department. CICIP prints the form for calculating the municipal construction fee and the form for calculating the charge for spatial and urban plan development in the Republic of Macedonia. The competent officer prepares and endorses the documents and via telephone contacts the applicant to arrange terms of payment. The competent officer prepares and prints the contract on municipal construction fee payment (in 4 copies). The competent officer submits these documents to CICIP. CICIP enters them in the system and via telephone contacts the applicant to inform him to arrange the payment of additional funds and contract signing.

The applicant signs the contract on municipal construction fee payment. CICIP submits the signed contract (4 copies) to the authorized person. The latter signs the contracts and forwards them to CICIP. CICIP scans the documents and enters them in the system.

Protocol development

CICIP informs the geodesist on the need for developing an act on the height and regulation parameters (protocol). CICIP submits the basic project to the geodesist and he/she develops the relevant act and submits the document to the CICIP. CICIP scans the documents and enters the information in the system.

The associate takes the other 2 copies of the technical documents from CICIP premises, endorses the 4 copies of the basic project and develops the construction permit. He/she endorses the documents and submits them to the authorized person for final signing.

The authorized person endorses the 4 copies of the basic project, checks the case and endorses the previously cleared documents.

<p><i>14. Issuing the document</i></p> <p>CICP prints the following documents:</p> <ul style="list-style-type: none"> – protocol, and – construction permit. <p>CICP scans the documents and submits 1 copy to the certified construction inspector. CICP via telephone informs the applicant that the document is ready to be issued. The applicant signs the delivery receipt and CICP issues the following:</p> <ul style="list-style-type: none"> – construction permit (4 copies); – registered basic project (3 copies); – minutes from the field visit (1 copy); – protocol (2 copies); – minutes from site marking (1 copy); – calculation of the municipal construction fee (1 copy); – calculation of the charge for spatial and urban plan development (1 copy), and – contract on municipal construction fee payment (2 copies). 	/
<p><i>15. Procedure on application's rejection</i></p> <p>Developing the decision on application's rejection</p> <p>The associate prepares the decision on rejecting the construction permit application, prints it in 4 copies, endorses them and submits them to the authorized person.</p> <p>Signing the decision on application's rejection</p> <p>The authorized person checks the case, endorses the cleared decision and enters it in the system, then he forwards the decision and the technical documents to CICP.</p> <p>Issuing the decision on application's rejection</p> <p>CICP prints and scans the decision and submits one copy to the certified construction inspector and informs the applicant thereof via telephone. The applicant signs the delivery receipt and receives the decision on application's rejection (2 copies) and the basic project (3 copies).</p>	/

ACTION PLAN

The present action plan contributes in the continuous efforts made by the Municipality of Bitola in the light of planning specific measures that would prevent or reduce the possibilities for corruption occurrence in the field of public procurements and construction permit issuance. The action plan contains the vulnerable points and anticipates measures/activities for establishing an integrated local system on corruption prevention in both fields of operation. The effects from the action plan's implementation will depend on the political willingness and preparedness of managerial staff and other employees in the municipal administration. The guiding coalition for fighting corruption in the Municipality of Bitola and the team of the Foundation Open Society Institute Macedonia will monitor the implementation of the action plan in the course of 2009.

A. PUBLIC PROCUREMENTS

Potential points of improvement	Activity	Person responsible for implementing the activity	Measurable indicator	Timeframe
1. Tender documents prepared with poor quality	Appropriate development of tender documents for covering all elements of public procurement procedures.	Head of the relevant sector/department	Endorsement by the tender documents developer and by the head of sector/department	June - December 2009
2. Criteria that match the interests of particular economic operators	Supervision	Head of the relevant sector/department	Two endorsements	June – December 2009
3. Implementing public procurements that are not contained in the annual public procurement plan	Control and rigid adherence to the annual plan	Head of the public procurement sector/department	Internal audit	June – December 2009
4. Implementing public procurements that are not contained in the annual public procurement plan	Amendments to the public procurement plan	Head of the relevant sector/department	Internal audit	June – December 2009
5. Bias selection of Commission members	Appointing Commission members based on their expertise and experience in the specific public procurement field	Mayor	Report from the internal auditor	June – December 2009
6. Danger from opening bids prior to the deadline for opening	Deadline for submitting bids should correspond with the date and time of opening the bids	Head of public procurement sector/department	Call for bids; Report from the head of public procurements	June – December 2009

7. Conflict of interest with the Public Procurement Commission members	Statements signed by the Public Procurement Commission members	Head of the public procurement sector/ department	Statements signed by Public Procurement Commission members	June – December 2009
8. Pressure over the Public Procurement Commission members	Submitting the Mayor written explanation of the pressure suffered	Public Procurement Commission members	Number of submitted explanations	June – December 2009
9. Need for revising written internal procedures for paper tracking in the public procurement procedure implementation	Developing revised written internal procedures for paper tracking in the public procurement procedure implementation	Heads of sectors in the Municipality	Prepared procedures on paper tracking for implementing public procurement procedures	June – December 2009
10. Insufficient information for citizens	Publication and announcement of information from the field of public procurements on the website of the Municipality of Bitola	Head of sector on municipal development and matters of the Mayor	Number of website visitors and periodical surveys	July – December 2009

B. ISSUING CONSTRUCTION PERMITS

Potential points of improvement	Activity	Person responsible for implementing the activity	Measurable indicator	Timeframe
1. Issuing construction permits. Problems appear due to the frequent amendments to the rulebooks. Citizens react as they believe various standards are applied to individual cases.	<p>Continuous training for the employees concerning the implementation of amendments to the laws and rulebooks.</p> <p>Permanent information for citizens concerning the amendments via the media, but also in written by the Citizens Information Center.</p>	Head of the urban and spatial planning department	<p>Number of organized training sessions</p> <p>Number of participants</p> <p>Distributed written materials</p> <p>Appearances on local media</p>	Continuous
2. Burdening the system with recommended procedures on case proceedings for issuing construction permits	Upgrading the software	Head of urban and spatial planning department	Software procured	2009
3. Improving the operation of the participatory body on urban and spatial planning	<p>The Municipality of Bitola will develop instructions and procedures concerning the cases in which it will include the participatory body. This body's special role should be emphasized in the procedure on defining the operational program of the Municipal Council concerning the urban planning field, i.e., all initiatives for adopting detailed urban plans.</p>	Urban Planning Commission of the Municipal Council in Bitola	<p>Number of accepted guidelines and initiatives submitted by the participatory body on developing plan decisions.</p> <p>Number of cases where the participatory body was involved in the proceedings on construction permit issuance</p>	

4. The central down town areas is a zone of cultural heritage, but the buildings have not been directly protected and should remain as they are based on the request of the Institute and Museum. Major problems are expected to arise in relation to illegal buildings.	Construction inspectorate reacts on citizens' complaints by also ex officio in the light of timely prevention of illegal construction of buildings.	Construction inspector		
5. Very often, the construction inspector raises charges on illegal construction of buildings, but citizens initiate the construction works, while in meantime they initiate the procedure for obtaining the construction permit.	Greater cooperation between the urban planning department and the municipal inspectorate	Head of urban and spatial planning department and head of the municipal inspectorate	Number of joint meetings held Number of resolved cases	Continuous

The implementation of the action plan in both fields – public procurements and issuing construction permits will be carried out in the period June – December 2009. A shorter period has been anticipated for evaluating the effects achieved by certain suggested measures/activities, since the nature of the same allows for it. Vulnerable points for corruption occurrence have been identified and they correspond with what the applicable legal provisions stipulate in the relevant fields.

The need for possible revision of the strategy will be additionally determined, if there are changes made to the legislative acts, as well as at the end of the evaluation period (December 2009), when achievements made by each suggested potential points for improvement will be assessed..

Curing and Preventing Corruption on Local Level

**Strategy for preventing corruption
in the Municipality of Ohrid**

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INTRODUCTION

Corruption on local level, as one of the processes accompanying the decentralization process, due to the transfer of competencies and power to local self-governments becomes one of the priorities seeking greater attention. Therefore, the Foundation Open Society Institute - Macedonia (FOSIM), in cooperation with the Association of Local Self-Government Units (ZELS) and the Foundation for Local Development (FPDL) from Bucharest, Romania, initiated the implementation of this project by introducing the concept for developing participatory anti-corruption strategies. The goal of this project was identification of system solution within particular municipal sector that might prevent the occurrence of corruptive actions. This project is a small step towards improving the municipal operation and should mean better services for citizens, transparency of operation and improving the image of the organization itself.

Methodology

The approach applied in this project represents a novelty in the fight against corruption in the administration, and was adopted by the administration in La Paz, capital of Bolivia, i.e. by its then current Mayor, Mr. Ronald MacLean Abaroa.

Steps that may appear simple are a major challenge for the team of experts due to the already developed position of the administration concerning the fight against corruption, which in the transition countries is represented as a manner of bringing somebody in front of the prosecution institutions. However, this position does not apply to this project, because of its unique approach, which is new to this region, and for which we hope will provide enormous results in future.

The methodology is based on the philosophy that there are no corrupted people, but corrupted systems. There are enormous opportunities for all people to become corrupted in a corrupted system. The formula which lies in the basis of this process of changing the system is the following:

Corruption = Monopoly + Discretionary rights – Accountability

Monopoly is when a single person decides for a particular activity; in the situation when the same person makes decisions independently without following certain written rules and procedures, results in **great discretionary rights**; if the person is not accountable for its decisions in front of another body - there is no **accountability** – which is a good basis for occurrence of corruptive activities and a signal for the Municipality on the need for changing its organizational setting or procedures.

The next step, according to this formula, is determining and **identifying** the sectors or, better yet, the fields allowing the application of the above explained formula.

Fields were identified by heads of sectors and as part of the **participatory process**, which is a very important step in the operational methodology that accompanies the project until the very end. The key mechanism for achieving positive and reliable result from this project lies in the work of municipal employees engaged in this project, who showed particular interest by investing

time and efforts outside their working hours in order to bring changes that will truly impact the quality of services provided by the municipality.

During the diagnosis stage specific procedures representing weak points in the system liable to corruption were determined within the identified fields.

The last step is curing “weak” points, which lead to designing the solutions proposed in the present Strategy.

Tools

Following were the means used for obtaining the final result:

- meetings with managerial staff and municipal employees;
- conducting public opinion survey, designed particularly for the fields selected as vulnerable during the identification process;
- conducting survey among municipal employees, which was also modified in order to explore the findings from the identification stage.

Public Procurement

Public procurement definition: procedures and measures intended for supplying materials and goods required for implementing plans and programs as defined in the municipal activities.

The Law on Public Procurements, which stipulates the implementation procedure in detail, provides for an opportunity to change of the public procurement system by means of acts adopted by the Municipality. However, the specific provisions set in the law together with the following solution proposed would lead to stimulating employees who are part of the Public Procurement Commission and would establish operational principles that guarantee righteous implementation of public procurements.

For the purpose of stimulating Public Procurement Commission members, and having in mind their duties stemming from their job positions in the municipal administration making their engagement on public procurements additional workload, the Mayor of the Municipality, in compliance with Article 50 of the Law on Local Self-Government (Official Gazette of the Republic of Macedonia, no. 5 from 29. 1. 2002) adopted the following:

Rulebook on Awarding Public Procurement Commission Members

The present Rulebook shall set the terms and conditions for awarding the members of the Public Procurement Commission within the Municipality of Ohrid in compliance with the Law on Civil Servants. For instance, this Rulebook can stipulate that upon the successful completion of 3 to 5 public procurement procedures, and provided the tender in question has not been cancelled upon lodged appeal or there were no appeals lodged, members can be awarded in the amount of 10, 20 or 30% bonus from their salaries for the successful operation.

Attached to this rulebook, it is recommended for the present strategy to also include the "Guidelines on the Public Procurement Commission Members' Performance", which would eliminate mistakes in the performance of the position Public Procurement Commission member. As an example for the guidelines, we propose the following:

Operational Guidelines

1. Bids shall be received only in the premises dedicated for the public opening of bids, immediately prior to the opening of bids.
2. In order to avoid possible pressures for favouring particular bidders, it is desirable for Commission members and - of course - the Commission president (as the member leading the procedure) to switch off their cell phones 2 hours prior to the public opening of bids.
3. All bidders arriving late on the opening of bids, i.e., all bidders submitting their bids upon the opening of the first bid, shall be disqualified.
4. Minutes shall be taken on the session for opening the bids, where despite data stipulated by he

law (tender-issuing party, time and location of the bid opening, reference number of the call for bids ...), other documents contained in the bid shall also be listed, while in case of missing documents, the same shall be stated and written down in the minutes (as an evidence that would result in avoiding possible pressures by bidders to complete their documents stating that the Commission has lost the document in question, etc.)

5. Disqualification of bidders at the session for opening bids shall not be allowed. Potential lack of documents in the bid - noted in the official minutes - shall result in the relevant bidder's disqualification at the evaluation stage.
6. Prior to closing the public opening of bids, the Commission President shall carefully scrutinize the minutes signed by all Commission members and shall deliver a copy of the minutes to all bidders within the legally stipulated deadline.
7. The evaluation stage shall include only the bids opened at the public session.
8. The Commission shall not allow completion of documents contained in any bid at the time of its opening.
9. All bids lacking necessary documents and recorded in the minutes as such shall be automatically disqualified at the bids' evaluation stage.
10. Simultaneously with the performance of the procedure, a report on the procedure's implementation shall be developed for the purpose of being complete, regularly updated and completely reflecting the overall procedure.

Urban planning

(INTRODUCING NEW OPERATIONAL METHODOLOGY)

1. DEVELOPING THE GEOGRAPHIC INFORMATION SYSTEM -GIS

Purpose of developing GIS

One of the purposes for which GIS is developed is to establish an information system that would serve as a foundation for further automation and computerization of processes and activities in the Municipality of Ohrid.

GIS benefits

System benefits:

- applied automation and upgrading the current work flow;
- all data (including rasters, i.e. scanned paper maps, maps, etc.) can be stored at one place;
- time saving, reducing processing costs and increasing productivity;
- standardization of internal operational procedures;
- possibility for utilizing new technologies for upgrading operation and monitoring changes;
- possibility for creating network models;
- developing geo-referencing services;
- eliminating the possibility for loosing or duplicating data;
- maintaining data integrity by establishing typological relations;
- efficient decision making;
- simplified data maintenance, and
- data protection.

2. MANNER OF SYSTEM DEVELOPMENT AND IMPLEMENTATION

Data source

Urban plans are the basic data source (who provides them, which plans, maps).

Data imputing

The following rules should be applied at the beginning of data imputing, vectoring:

- defining the maximum allowed medium quadrant error in geo-referencing;
- screen digitalization of scanned paper plans should be used for vectoring maps of interest areas, i.e. point-to-point system.

Preparation

Data analysis is necessary at the beginning of the digitalization process for the purpose of determining the following:

- Do maps contain expected data?
- Are required data shown in a manner that corresponds to the vectoring process, i.e. are they shown by appropriate linear, dotted and polygon marks?
- Have the lines been continuously and rightly connected and are all disconnected lines appropriately marked? Are all ambiguities regarding the classification of individual buildings resolved by joint efforts of the expert staff in the municipality;
- Do the scanned maps cover the whole project area?
- Are the backgrounds recorded on CD/DVD mediums? All maps are vectored.
- Agreement has been reached for the layout and design of the database for all levels;
- All maps must contain the Gaus-Kuger zone coordinates;
- Particular attention should be paid to damaged paper maps.

Scanning

Following hardware and software equipment should be used for scanning the paper maps:

- 1) colour scanner (a particular brand);
- 2) scanning programme (for scanning the maps).

The resolution shall depend on the quality of the original and the purpose of scanning. Having in mind that paper maps are the only source for digitalization, lines and all elements to be vectored must be of certain quality corresponding with the raster-vector conversion.

The Municipality of Ohrid is able to provide scanning of paper maps, which is the first step towards simplifying the process.

Geo-referencing

Method of selecting 4 or more known points in the raster base shall be applied for recording paper maps, i.e., locating them in the spatial plan according to their coordinates. Most often scanned paper maps are already recorded in the Gaus-Kuger coordinate system (but they must be checked).

Digitalization method

After scanning and geo-referencing, data shall be vectored layer-by-layer by the software package, with scanned maps as background. This shall enable obtaining vector data in corresponding vector formats.

Then, appropriate attributes (numerical parameters) shall be added to each data layer in compliance with the previously defined database design.

Checking digitalized data

Checking digitalized data is an extremely important segment in the database development process. Following shall be taken into consideration when performing the control:

- Are all necessary data digitalized?
- Have unnecessary lines been digitalized or have certain elements been digitalized twice?
- Is the digitalized contents located on the right place?
- Are the allocated attributive data (implementation parameters) correct?
- Are data typologically correct?
- Checking data shall be performed by overlaying and comparing paper maps and digitalized screen-shown contents.

- Attributive precision shall be checked by interactive revision of paper maps and digitalized data – on the screen - by using the appropriate program.

Staff

For the purpose of operating with the developed database, employees have already been trained for performing the following processes:

- person responsible for data imputing;
- person responsible for database developing/imputing and maintenance, and
- person responsible for web-administration (second stage, if the municipality decides for on-line data publication).

The overall responsibility for the system's operation lies with the responsible person in the municipal administration, from the managerial ranks, who should have a vision for developing it in compliance with globally established standards and manners of operation and – of course - the person responsible for the staff restructuring and implementation of the new operational methodology.

3. DEVELOPMENTAL VISION –SECOND STAGE

For the purpose of introducing a complete GIS system in the municipality and connecting it to the existing system, as well as for the purpose of its utilization by different sectors, it is necessary to establish the server architecture, i.e., to develop and upgrade the operational system.

Spatial data must be organized and stored in a related database, i.e., in the so called geo-database. This type of data organization brings numerous advantages, such as merger with other attributive related bases, possibility for multi-user data editing, possibility for rasters/scanned plans and maps storage, as well as storing satellite footage in the database and provision of fast access for clients.

For the purpose of unifying all entities in the system, it is necessary to establish a legend that would incorporate unified marks for all elements. This can be done by storing all GIS-data in the related database and using the software for storing data in the geo-database. Access for large number of users and user applications

can be established by the software for on-line data publication, which is also a server tool intended for publishing and analysing spatial GIS-data by using the Internet browser. Thus, all people with Internet browsers can view and analyse data contained in the database, provided they have the necessary tools.

Action plan

PUBLIC PROCUREMENT

The Rulebook on Awarding Public Procurement Commission Members and the Operational Guidelines should be adopted within a period of 2 weeks upon **the adoption of the present Strategy** by the Municipal Council.

Public Procurement Commission members should be introduced with the operational guidelines' contents within a period of 1 week upon the adoption of the Rulebook and the Guidelines (the president of the Commission can provide a presentation of the guidelines, assisted by a member of his/her choice in order all Commission members to develop same position on issues related to the Guidelines).

URBAN PLANNING

- *Approximate timeframe for database creation shall be 1 month.*
- *The period for staff training shall be two weeks.*
- *Application's test period in a duration of at least one month is also needed.*

GENERAL REMARKS AND RECOMMENDATIONS

In addition to the strategic commitment of the Municipality for undertaking long-term activities, short-term activities will also be made for the purpose of improving the communication, better exchange of information and improving and harmonizing information systems in the following areas:

1. Improved communication and briefing for citizens for the purpose of:
 - a. improving their perception concerning the municipality's operation, and
 - b. providing feedback mechanism for citizens-municipal services beneficiaries.
2. Continuous training of employees concerning new laws and amendments to the existing laws.
3. Internal briefing mechanisms in the Municipality.
 - a. Improving information system for employees on the most recent activities in the municipality – designating a bulletin board to inform employees; e-mail information on ongoing activities in the municipality; municipal bulletin, e-bulletin;
 - b. Exchanging information between sectors. Determining the type and quality of information of common interest for different municipal sectors and establishing information exchange and coordination systems.
 - c. Intranet – network connection, and
 - d. Connecting compatible sectors and sectors holding information of mutual benefit: for instance, the sector on urban planning and issuing construction permits with the local tax administration sector. Whenever a construction permit is issued, it should be immediately forwarded to the local tax department for the purpose of calculating the property tax.
4. Factors outside the municipal administration competencies– by means of active participation in ZELS activities to influence the adoption of by-laws and rulebook in the field of urban planning and construction works.

Annex to the strategy for preventing corruption in local self-government units

Brief Background of Project's Course With a Special Review of Key Indicators That Determined the Strategy's Direction

As of October 2007, the Foundation Open Society Institute initiated the project "Anti-Corruption Strategies on Local Level", whose aim was to develop strategies for preventing corruption by means of introducing system changes in the operation of the local government unit.

Upon the appropriate training of the members, who act as experts in the project, the selection of municipalities interested in introducing system solutions for overcoming certain problems was initiated. After the process of short-listing municipalities-applicants in the Republic of Macedonia, three municipalities were selected as follows: Municipality of Ohrid, Municipality of Gjorce Petrov and Municipality of Bitola as being most favorable for this project's implementation.

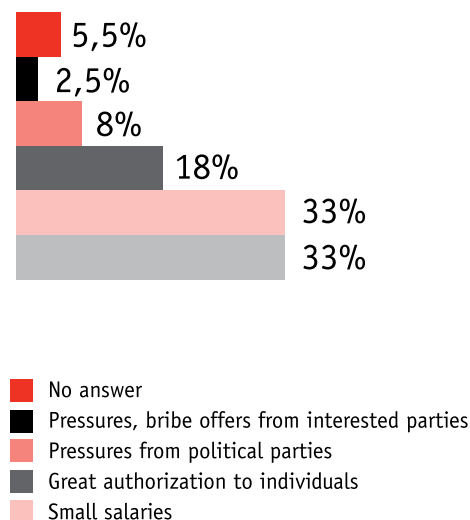
Nine experts were grouped into three teams of three members. Each team was assigned to one of the municipalities, whereupon the participatory activities with the Municipal Secretary, heads of sectors and several employees from all municipal sectors were initiated. The joint work was performed according to the previously set stages: identification, diagnosis, curing /preventing problems affecting the municipality. The identification stage revealed the fields liable to corruptive activities. Public procurements and urban planning were identified as fields being most liable to corruption. Again, by applying the participatory work with municipal employees and appropriate tools, previously agreed upon with the municipality, two survey were carried out – among municipal employees and among citizens in the municipality, which identified the services delivered by the municipality, but liable to corruption. These were issuing construction permits – urban planning and implementing public procurement procedures.

In order to be consistent to this document's title, previously listed activities will be supported by key graphs/results obtained on the public opinion survey and the survey conducted among municipal employees (the Municipality is in possession of the complete results obtained by both surveys).

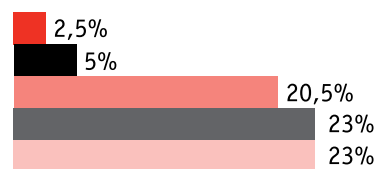
1. The survey implemented with 40 municipal employees in Ohrid mainly encompassed questions addressing the following:

- employees' perception of corruption;
- its presence in the operation of certain municipal sectors;
- corruption sources, and
- efficiency of municipal operation.

When asked about their personal opinion concerning the existence of corruption in the municipality, on the scale from 1 to 5, employees provided the following answers:

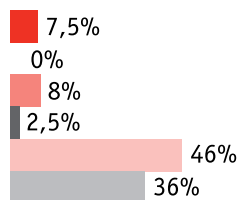


In the employees' opinion, reasons for corruption in the municipality are as follows:



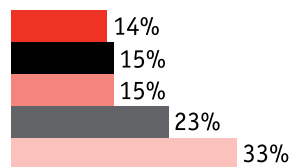
- No answer
- Pressures, bribe offers from interested parties
- Pressures from political parties
- Great authorization to individuals
- Small salaries

Evaluation of municipal operation's efficiency. Employees provided the following answers:



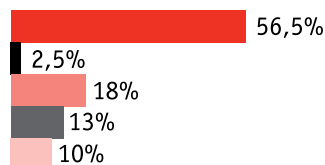
- No answer
- Citizens need to bribe somebody to get their job done
- Citizens need to have an acquaintant in order to get their job done
- Services are not provided
- Services are provided with difficulties, but are provided
- Services are provided in fast and efficient manner

EMPLOYEES: Provided that you are aware of the existence of corruptive activities in the municipality, they refer to:



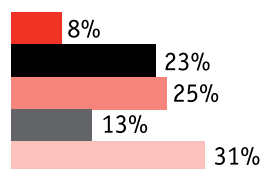
- No answer
- Other activities
- Resolving matters outside the regular procedure, without observing the fulfillment of anticipated terms
- Prioritizing particular case
- "Speeding money" - speeding irregular procedures

If it exists, according to the employees, the corruption source in the municipality is:



- No answer
- Other
- Employees
- Municipal council
- Mayor

EMPLOYEES: Is the municipality undertaking measures for preventing corruption attempts?



- No answer
- The municipality undertakes efficient measures for preventing corruption
- The municipality undertakes only symbolic measures for preventing corruption
- The municipality does not undertake any measures for preventing corruption
- There is no corruption in the municipality, hence no need for undertaking any measures

1. Public opinion survey:

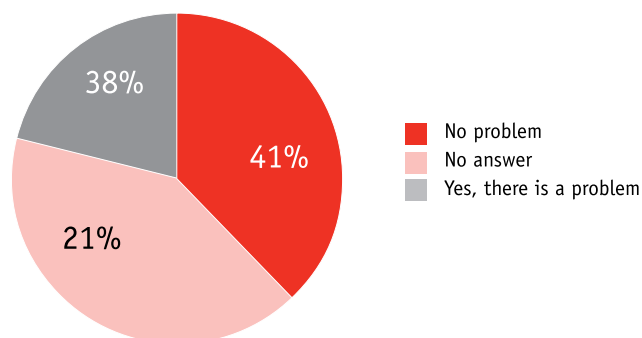
- Data collection method: telephone survey, using computers for random selection of telephone numbers;
- target population's age: citizens of Macedonia, at the age of 18 to 60 years;
- data source: random representative population sample holding a household telephone line, based on the selection frame from the electronic telephone directory, the 2002 Census and population dynamic;
- sample size: 300 surveys in Bitola, 300 surveys in Ohrid, 300 surveys in Gjorce Petrov;

- data was collected in the period from 18 to 20 June 2008;
- survey was carried out by: SMMRI Skopje, part of the Strategic Puls Group and member of E S O M A R“

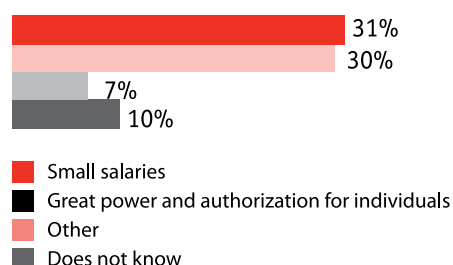
2. Public opinion survey concerning issuing permits and licenses:

Problem with corruption when issuing construction permits:

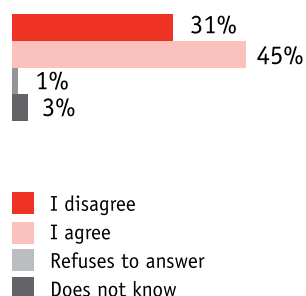
Problem existence



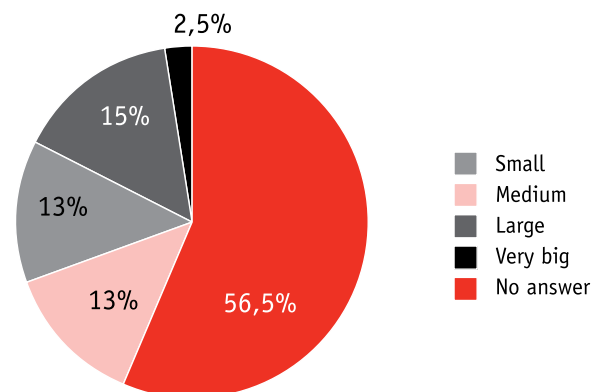
In your opinion, which is the reason for corruption in the municipality?



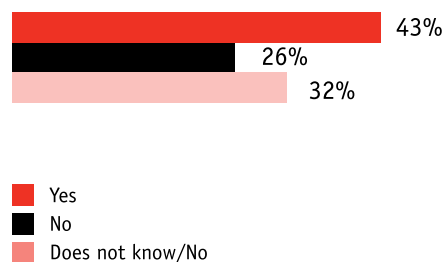
Do you believe that your municipality has mechanisms for preventing/dealing with corruption?



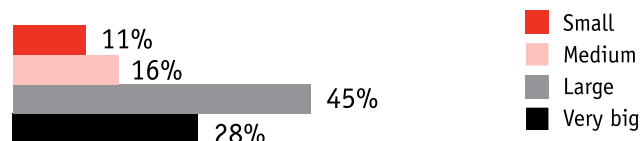
Problem scope



1. Municipal administration is effective in its operation:

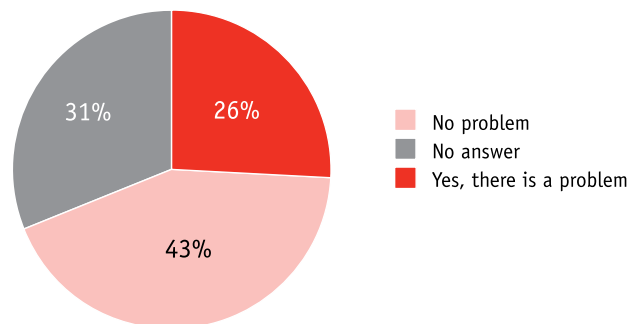


Issuing construction permits – did you experience small, medium, large or very big problem when completing this activity?

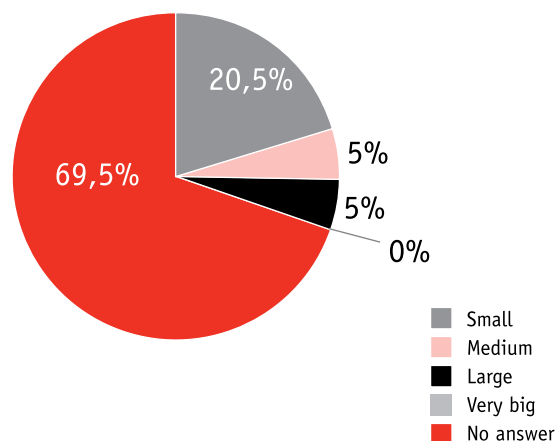


Problem with corruption when issuing other types of licenses:

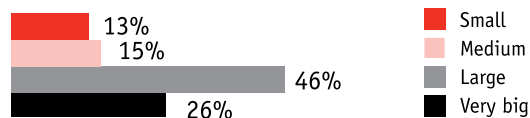
Problem existence



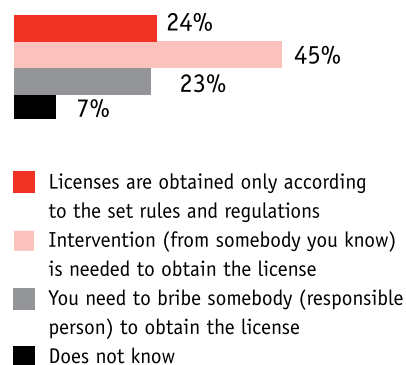
Problem scope



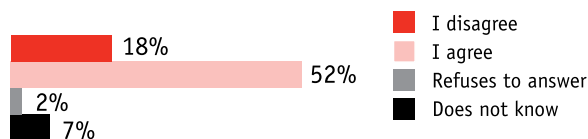
Issuing other licenses – did you experience small, medium, large or very big problem when completing this activity?



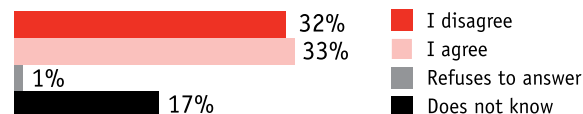
What is your opinion on the manner of issuing licenses?



The municipal administration makes subjective/ bias decisions on particular issues (issuing licenses, approving applications, etc.)



The municipal administration requires financial or other compensation from citizens in order to proceed their applications under regular procedures

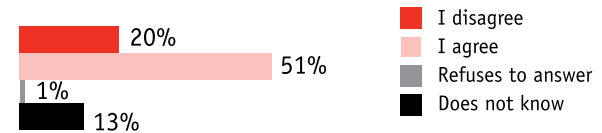
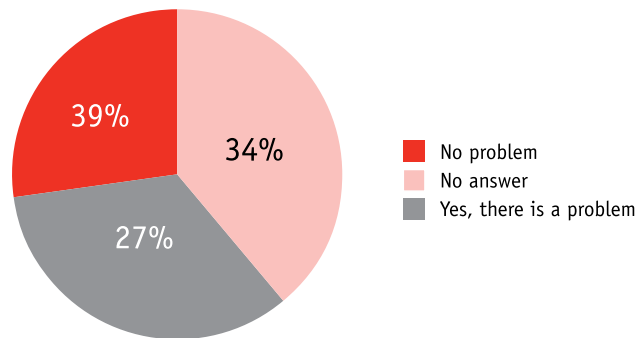


4. Public opinion survey concerning tenders/public procurements and urban planning

Companies close to the Mayor usually win the public construction works tenders in the municipality.

Problem of corruption when bidding on public tenders:

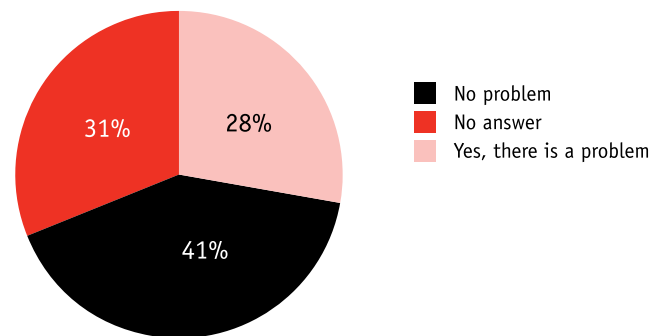
Problem existence



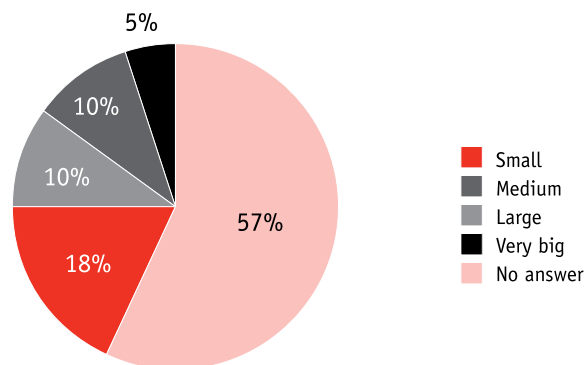
Problem with corruption when developing urban plans

Urban plans are developed under a transparent procedure:

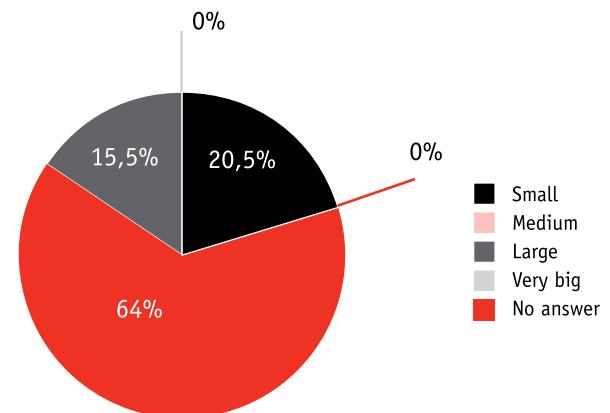
Problem existence



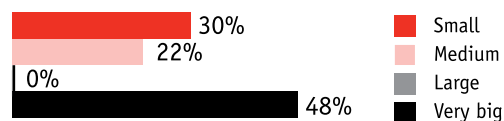
Problem scope

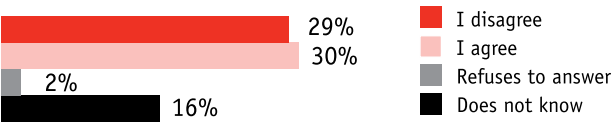


Problem scope

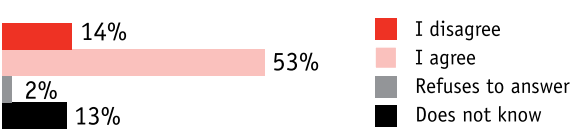


Bidding on public tenders – did you experience small, medium, large or very big problem when completing this activity?





There is corruption when developing urban plans



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